
CAPITAL PROJECTS



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2008 CAPITAL BUDGET & CAPITAL MANAGEMENT PROCESS

2008 CAPITAL BUDGET SUMMARY

The Gallatin County Capital Budget for FY 08 includes Budget for projects put forward by Elected Officials and Department Heads, Reviewed and Recommended by the Capital Improvement Program Committee and Approved by the County Commission. The FY 08 Capital Budget identifies those items that will be funded during the current year. Some items will be expended over multiple years. The following table gives a brief description of the project, current estimated total project cost, and the FY 2008 Budget for the project.

Summary of 2008 Capital Projects		
<u>Description</u>	<u>Project</u>	<u>2008 Budget</u>
Open Space Acquisition	\$20,000,000	\$3,602,735
Dispatch Building Equipment	3,000,000	3,000,000
Courthouse Roof rehabilitation	40,000	40,000
Law and Justice rehabilitation	766,340	766,340
Road / Bridge Shop	3,500,000	2,200,000
Courthouse Annex	2,600,000	1,400,000
Upgrades to HVAC/Generators	320,000	50,000
Detention Center	36,000,000	1,502,048
Mental Health Building	5,000,000	1,000,000
City / County Court Building	18,909,250	-0-
Law Enforcement Building	17,523,800	-0-
Noxious Weed Complex	750,000	-0-
Capital Equipment	16,623,185	16,623,185
Total	\$92,632,575	\$30,184,308

CAPITAL BUDGET PROCESS OVERVIEW

The attached Gallatin County 2008 Capital Budget is prepared with the combined efforts of the County Commissioners, Planning Board, County Administrator, Finance Office, Capital Improvement Program Committee and various subcommittees that focus on specific project issues. Through this joint effort, capital expenditures are managed in a structured process designed to maintain the County's infrastructure for today's needs as well as meeting long range growth projections. These organizations have contributed vital support in preparation of this 2008 budget submittal.

In 2002, Gallatin County adopted an initiative designed to improve management of the county's capital expenditures ¹. The goal of this initiative is to provide county Commissioners with decision-making tools that identify, prioritize, finance and implement projects throughout the county. To accomplish this goal the County created the Capital Improvement Program Committee (CIPC). Comprised of both county staff and citizen volunteers, this Committee provides capital investment recommendations to County Commissioners and is charged with ²:

- Acting as the central planning body for review and recommendation on capital projects over \$50,000
- Formulate policy, plans and programs for recommending capital programs
- Identify deficiencies and recommend individual capital projects to the County Planning Board and County Commission
- Raise public awareness
- Implement appropriate evaluation to assess success and shortcomings

The capital budget is separate and distinct from the County's operating budget for several reasons. First, capital outlays reflect non-recurring capital improvements rather than ongoing expenses. Where possible, capital projects are funded from nonrecurring funding sources such as debt proceeds and grants; these one-time revenue sources are not appropriate funding sources for recurring operating expenses. Second, capital projects tend to be of high cost in nature (greater than \$50,000), requiring more stringent control and accountability. To provide direction for the capital

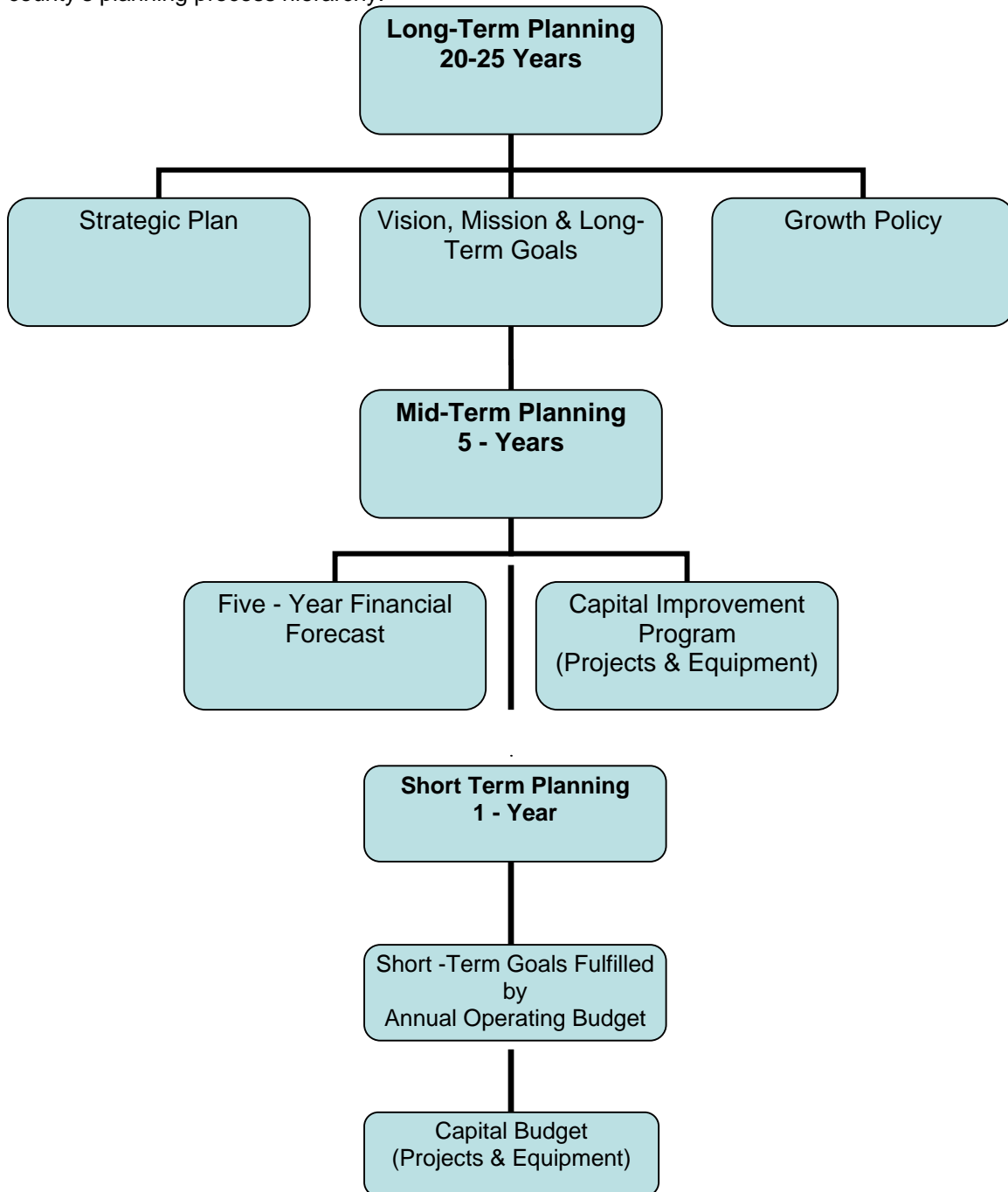
¹ Gallatin County Resolution 2002-031, and MCA 7-6-616

² Capital Improvement Programs Committee, Amended By-Laws, Feb. 15, 2006

2008 CAPITAL BUDGET & CAPITAL MANAGEMENT PROCESS

program, the County Commission has adopted policies relating to the Capital Improvement Program and the Capital Budget, which are discussed later in this section.

The following chart shows the hierarchy of the County's layered planning processes, which support one another and are designed with a common goal. The chart depicts how the Capital Improvement Program, the Annual Operating Budget, and the Capital Budget fit within the county's planning process hierarchy.



CAPITAL PLANNING AND CIPC PROCESS

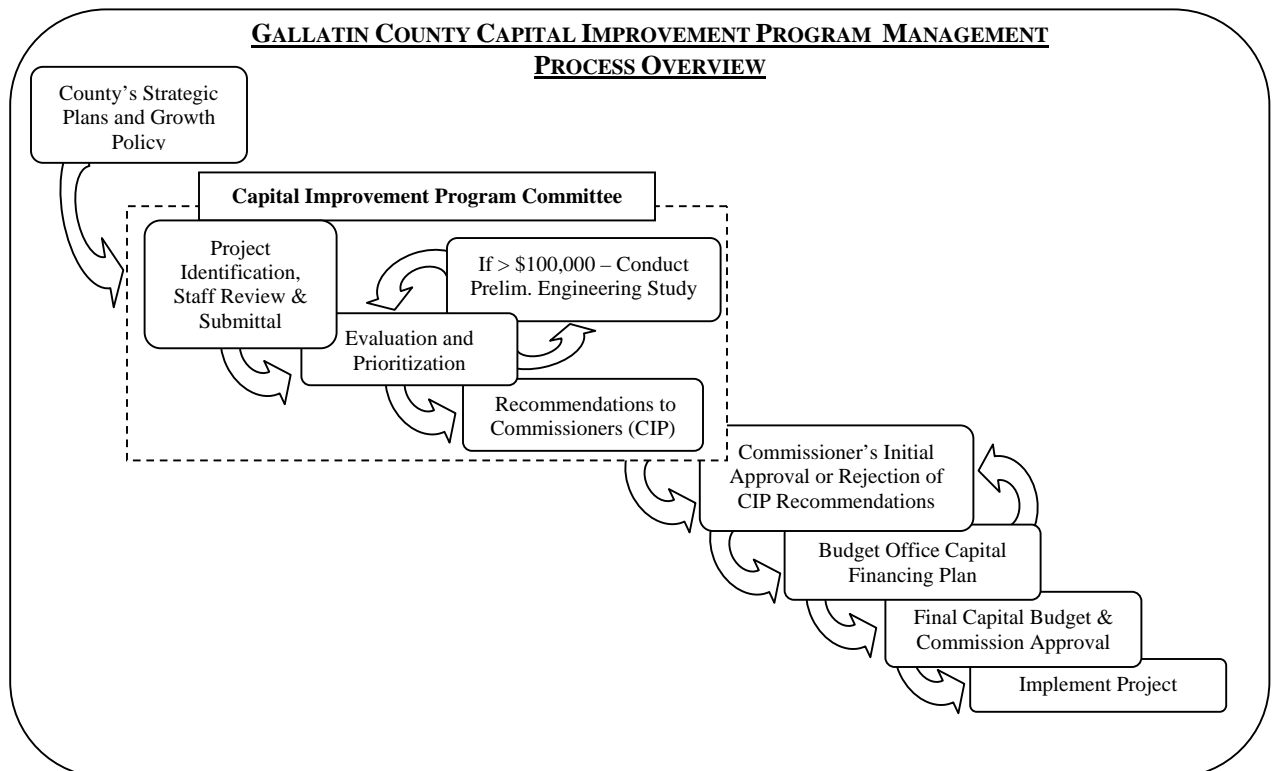
Capital Planning refers to the process of identifying and prioritizing County capital needs for determining which capital projects should be funded in the capital budget as resources become available. Countywide planning is guided by the Gallatin County Strategic Plan and the Growth Policy. These plans provide long term direction for the growth and development of the County.

To support the County's short term and long term objectives, the Capital Improvement Planning Committee addresses all capital expenditures to systematically plan, schedule, and finance projects to ensure cost-effectiveness as well as conformance with established policies. The CIPC creates a Capital Improvement Plan (CIP) which is a five-year plan organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects that significantly expand or add to the County's existing fixed assets.

The CIPC's plan projects the county's capital projects and capital equipment needs over the course of current year's budget plus the next five years. Even though each year's plan addresses a six year forecast, the Committee views the long term needs of the County's infrastructure based largely on population growth forecasts. Once approved by the County Commissioners, the first year's CIP projects become part of the Capital Budget. These capital projects represent one year of the five-year CIP and it is a component of the Annual Operating Budget. Unlike the CIP plan, the Capital Budget represents the approved capital items contained in the current year Annual Operating Budget.

The CIPC is comprised of 9 voting members, including one elected official and one department head and a non-voting County Commissioner. The balance of the CIPC are Gallatin County citizens represented by geographical diversity and/or representatives from business, construction and finance industries. The CIP is prepared under the direction of the County Administrator (CA).

The CIP update begins in late Fall when the CIPC prepares packets for distribution to Elected Officials and Department Heads. The CIPC sends the packets to Elected Officials, Agencies and Department Heads. These packets explain the goals of the CIP, describe the overall process and provide pertinent information for submittal. This distribution includes: the capital budget calendar, forms, instructions, written documentation, and definitions to be used in preparing their capital project budgets, including revising current project estimates and the method to add new capital projects.



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Each application is required to meet certain minimum standards, including:

- Minimum estimated cost of \$50,000
- A life of at least 5 years
- Create or revitalize a fixed asset,
- And fall within the following classifications:
 - Construction of new facility,
 - Remodeling, expansion or leasing of existing facilities,
 - Purchase, improvement and development of land,
 - Operating equipment and machinery for new or expanded facilities,
 - Planning and engineering costs related to specific capital improvements, and
 - Street construction, reconstruction, resurfacing or renovation.

In addition each submittal is reviewed to see if it complies with the County Commission's current goals, which are:

- Public health, safety and welfare
- Statutory duties and/or documented public demand
- Improve efficiency, effectiveness and productivity of County functions
- Improve Criminal Justice System
- Improve and maintain county infrastructure by using new construction values
- Keep budget structurally balanced by maintaining current operation reserves percentages
- Commitment to employee retention through funding of needed wage and/or benefit adjustments
- Improve management, accountability and oversight to reduce county risk
- Commitment to implementing growth policy

To gain uniformity and clarity in capital requests each submittal is reviewed by County Staff to assure that all pertinent information is provided including:

- reason for the project,
- proposed project location and scope,
- project cost estimate and the nature of the estimate (conceptual, or definitive)
- project funding requirements by fiscal year,
- proposed project schedule and completion dates,
- anticipated operating cost impacts and management approvals.

Another tool employed by the County Staff and CIPC to identify needed infrastructure improvement is the Facility Condition Inventory (FCI). The goal of the FCI is to systematically and routinely identify deferred maintenance items that exist and to assign a relative cost to these items³. At this time the two facilities that have had an FCI study include the Law & Justice Center and the Detention Center. The FCI prioritizes the building condition using the following criteria:

- Safety
- Damage / Wear Out
- Codes / Standards
- Environmental Improvements
- Energy Conservation
- Aesthetics
- Other (non-FCI), Renovation, Adaptive

Once the submittals are completed by the requesting party, and prior to submittal to the CIPC, they are reviewed and evaluated by the County Administrator, Project Manager, County Attorney Office and the Finance Director for completeness and accuracy. To support CIPC review of requested projects the CA and the Finance Director meet with each of the departments to determine that the proposed capital request is in accordance with the County's Comprehensive Strategic Plan and Growth Policy and contains adequate definition, cost and schedule information. Once this initial review is completed the final capital requests are then submitted to the CIPC for review and prioritization. Throughout the development process, the County Administrator and Finance Director hold regular meetings with the CIPC to keep them up-to-date, provide them with revenue projection updates, and to obtain overall policy guidance.

³ Report from Comma-Q to Ed Blackman, April 20, 2006 for the Law & Justice Building and August 28, 2006 for the Detention Center.

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The purpose of the CIP evaluation process is to establish an objective ranking, or priority, to the capital expenditures based on a set of criteria. These criteria and relative weighting are prepared by the CIP and included in the submittal request.

**CIP Project Evaluative Criteria and
Rating Range for 2008 Budget**

Criteria	Score Rating Range
1. Health and safety	1 - 9
2. Commission goals	1 - 6
3. Implication of deferment	1 - 6
4. Annual recurring costs	1 - 3
5. Environmental Improvement	1 - 3
6. Community benefit	1 - 3
7. Distributional effects	1 - 3

Upon completing their review, in consultation with the CIPC, the CA and Finance Director meet with the appropriate program directors and representatives to resolve outstanding issues and ensure that all are in agreement with the current information. When projects are considered complicated, or exceed \$100,000, a Project Engineering Study may be requested by the CIP, or staff. The intent of these selected studies is to establish a clear scope, cost and schedule for a project, prior to finalizing its priority or inclusion into the annual budget.

After the CIPC process is finalized and agreement among the CIPC is reached, the information is forwarded, as a recommendation to the County Commission. The Commission is free to modify the recommendation, as they deem necessary. The Commission holds a public hearing, as part of the budget process in June, to hear comments on the Recommended CIP. After the public hearing, the Commission meets and incorporates their decisions on Capital Projects into the Preliminary Budget. The County Commission then holds work sessions and public hearings to obtain public comment. The Capital Budget is finalized as part of the Annual Operating Budget in late August of each year. Final budget documents reflecting the adopted budget and CIP are then prepared and distributed, both via hardcopy and electronic format.

Positive results of the Capital Improvement Program and Capital Budget include:

- Translation of the County's Strategic Plan, Growth Policy, individual Department's functional plans, and other programs and policies into tangible projects.
- Coordination of the capital projects of all County Departments so they further the implementation of long-term plans.
- Encouragement of private development (What's this mean?) in areas that conform with the county's long-term and Growth Policy.
- Providing for an objective assessment of capital budget requests, incorporating structured evaluation criteria applied on a consistent basis.
- Enabling the County Commission and the CA to plan the financing of capital and operating activities.
- Protecting the County's investment in existing facilities, where appropriate, to avoid the higher cost of rehabilitation and/or replacement associated with deferment.
- Fostering economies of scale through inter-jurisdictional cooperation.
- Promoting of economic development and its inherent contributions.

CAPITAL BUDGET AND ITS IMPACT ON FUTURE OPERATING BUDGETS

Whenever the County commits to a CIP plan, there is an associated long-range commitment of operating funds. For this reason, it is important to evaluate capital commitments in the context of their long-range operating impact. Most capital projects affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs, debt obligation or by providing capacity for new programs to be offered. Such impacts vary widely from project to project and, as such, are evaluated individually during the process of assessing project feasibility. The five-year financial forecast also provides an opportunity to review the operating impact of growth-related future capital projects.

The operating impact of capital projects is analyzed and taken into consideration during the extensive CIP prioritization process. Estimated new revenues and/or operational efficiency savings associated with projects are also taken into consideration (net operating costs). Departmental staff plan and budget for significant start-up costs, as well as operation and maintenance of new facilities. The cost of operating new or expanded facilities or infrastructure is included in the operating budget in the fiscal year the asset becomes operational. Debt service payments on any debt issued for capital projects is also included in the operating budget.

LINKAGE

Gallatin County conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to insure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to insure each of these component planning processes coordinate with one another. This so called "Linkage" is paramount to insure short-term decisions are consistent with the overriding values embodied in the mid-term and long-term planning processes adopted by the County Commission. This required linkage dictates that the CIP be developed within the context of, and consistent with, the county's long-term and mid-term plans.

Each element of the county's planning process has a different purpose and timeframe. The Strategic Plan, Vision, Mission, Long-term Goals and Growth Policy are the most far-reaching in nature — 20 to 25 years. The Capital Improvement Program and the Five-Year Financial Forecast are mid-term in nature — 5 years. The Annual Operating Budget and the Capital Budget are short-term — covering a one (1) year timeframe. The most important aspect is that they are coordinated and correspond with one another.

FUNDING SOURCES FOR CIP AND CAPITAL BUDGET

A variety of funding sources are available to finance the Capital Improvement Program and Capital Budget. As noted before, capital projects, unlike operating expenses that recur annually, only require one-time allocations for a given project. This funding flexibility allows the County to use financing and one-time revenue sources to accelerate completion of critical projects.

In general capital investments can be divided into two categories, Minor and Major expenditures. The following descriptions outline the importance of this distinction:

Minor Capital Projects. Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues. Minor capital projects or recurring capital projects represent relatively small costs of an on-going nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.

Major Capital Projects. Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing). Major capital projects represent large expenditures of a non-recurring nature which primarily benefit future residents. Debt financing provides a means of generating sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit from the project, since debt service payments will be funded through charges to future residents.

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All potential capital funding resources are evaluated to ensure equity of funding for the CIP. Equity is achieved if the beneficiaries of a project or service make payment. For example, general tax revenues and/or General Obligation Bonds appropriately pay for projects that benefit the general public as a whole. User fees, development fees, and/or contributions pay for projects that benefit specific users. The following summarizes the funding sources for the CIP.

Project Financing Sources:

General Fund:	The County's general fund is available for use for any expenditure deemed to be in the public interest by the Gallatin County Commission.
State Revenues:	The County receives various payments from the State of Montana for different purposes. A portion of Gas Tax revenues is earmarked for material costs of road projects.
Grants/Donations:	This funding source consists of Federal grants, State grants, and donations by citizens and businesses where the money is passed through the County.
CTEP:	Federal grants primarily directed towards improving or expanding non-motorized transportation.
General Obligations Bonds:	Bonds for which the full faith and credit of the County is pledged. G.O. Bonds require voter approval.
Loans:	Received through the Board of Investments Bond Program.
Special Assessments & Other Debt:	Special Assessments are charges against certain properties to defray the cost of infrastructure improvements deemed primarily to benefit those properties. Also included are Revenue bonds where the debt service payments are paid for exclusively from the project earnings and Assessments.
User Fees:	User fees are charges for county services where the benefits received from such services can be directly and efficiently applied to those who receive the benefits.
Park Acquisition & Development Fund:	This funding is set up to account for funding that developer's pay to the County instead of donating park-land when they are subdividing bare land.
Other & Private:	This funding source represents other miscellaneous categories.

REVIEW PROCESS

In the Spring, prior to the start of year-end activity, the Finance Director conducts a review of projects contained in the previous year's Capital Budget. The reasons for this review is:

- To identify projects with excess appropriations that might be subject to reallocation.
- To identify projects with total expenditures and encumbrances exceeding the current appropriation that might require additional appropriations.
- To track impact fee revenues and expenditures to ensure that impact fees are being spent in a timely manner as required by ordinance.

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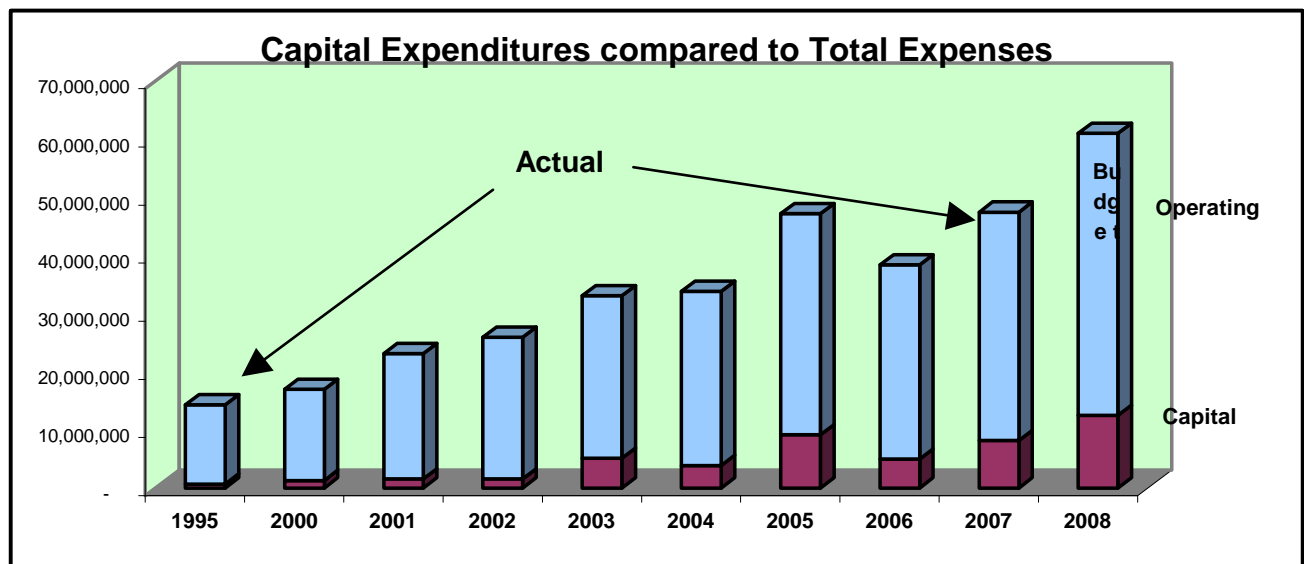
Relevant findings are forwarded to each of the project managers to provide an opportunity for feedback. Following the review, a project report is prepared, which is forwarded to the County Commission and the CA. The report highlights each project, major milestones to be met by the project, completion dates for each milestone, a map of the site, the name of the project manager, and a narrative explaining the current project status. This layer of review provides timely and quantitative information regarding each department's capital projects and the foresight necessary for the planning process for the upcoming fiscal year.

CAPITAL EXPENDITURES CONTRASTED WITH TOTAL COUNTY OPERATING EXPENDITURES

The investment by the county in its capital and infrastructure is of primary importance to insure the long-term viability of service levels. The amount of capital expenditures in relation to the total county budget is a reflection of the county's commitment to this goal.

Gallatin County strives to provide for adequate maintenance of capital, plant, and equipment and for their orderly replacement. All governments experience prosperous times as well as periods of economic decline. In periods of economic decline, proper maintenance and replacement of capital, facilities, and equipment is generally postponed or eliminated as a first means of balancing the budget. Recognition of the need for adequate maintenance and replacement of capital, facilities, and equipment, regardless of the economic conditions, will assist in maintaining the government's equipment and infrastructure.

The graph below illustrates Gallatin County's historical investment in capital. The graph depicts actual capital expenditures over the last five years as compared to the county's operating budget. Obligor resources to capital investment is appropriate for a growing community as Gallatin County strives to meet level of service standards identified in the Strategic Plan and community outcomes identified in the Growth Management Plan.

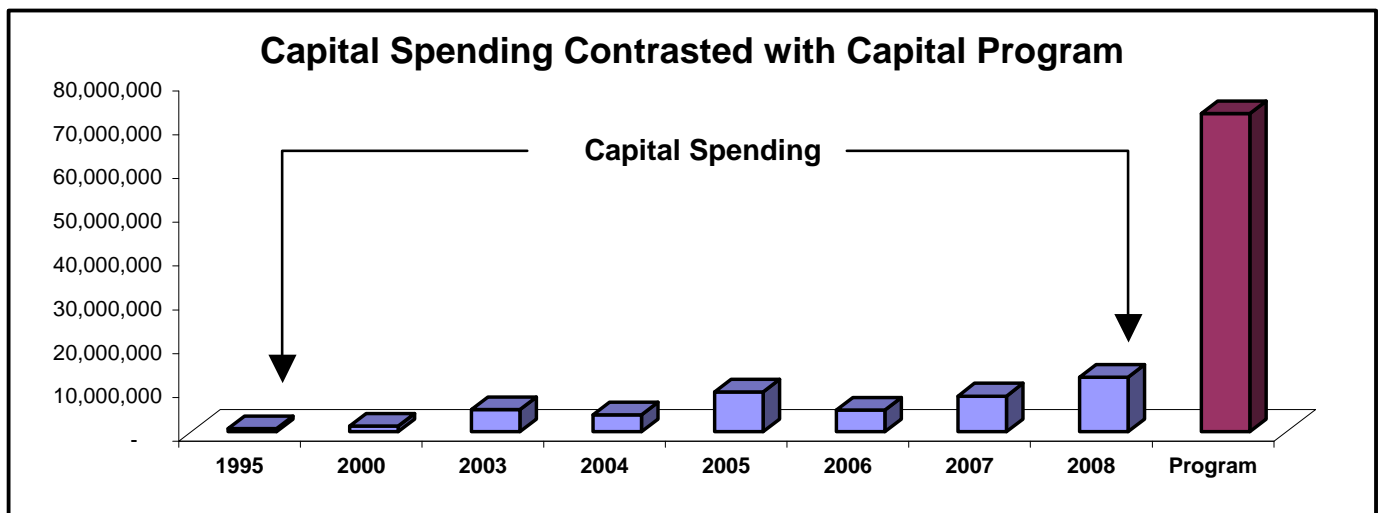


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CAPITAL IMPROVEMENT PROGRAM (NEXT FIVE YEARS) CONTRASTED WITH HISTORICAL CAPITAL SPENDING (PREVIOUS FIVE YEARS)

Another indicator of Gallatin County's commitment to providing for the adequate maintenance of capital, facilities, and equipment and for their orderly replacement, is the level of projected capital spending over the next five years as compared to the previous five-year period. This information is useful to the County Commission in their deliberations when determining which items will be included in the Capital Budget. This information also helps the County Commission make decisions with a long-term perspective.

Shown below is a graph which contrasts historical capital spending (last five years) with the capital spending identified in the Capital Improvement Program (the next five years).



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2008 CAPITAL PROJECT AND CAPITAL EQUIPMENT BUDGET

Listed below are the capital items included in this year's Annual Budget, together with projected impacts on future operating budgets.

CAPITAL OUTLAY / CAPITAL PROJECTS							
FY 2008 Capital Budget & Operating Budget Impacts Projects by Department/Project Name							
FY 2008 Capital Budget				Annual Operating Budget Impacts Over FY 08 Budget			
Department/Project Title	Fiscal Year	Appropriation		Personal Services	Operating Costs	Debt Service Costs	Total
CAPITAL PROJECTS							
Airport at Three Forks				ESTIMATES ONLY			
Field Improvements		-		-	-	-	-
subtotal Airport		\$ -		\$ -	\$ -	\$ -	\$ -
Open Space Acquisition				ESTIMATES ONLY			
Capital Reserve	2008	\$ 3,961,960		-	-	-	-
CIP - Current Year				ESTIMATES ONLY			
Joint Dispatch Building	2008	\$ 1,200,000		\$ 48,286	\$ 60,000	\$ 145,000	\$ 253,286
Joint Dispatch - Equipment	2008	1,800,000		-	-	-	-
Courthouse roof (Building Res. Fund)	2008	40,000		-	(1,020)	-	(1,020)
Law and Justice (Roof, Drainage, Air)	2008	436,000		-	-	-	-
Road - Shop	2008	2,200,000		-	28,500	145,000	173,500
Guenther Building	2008	35,000		-	4,500	-	4,500
L & J Boiler/Cooling Tower Replacement	2008	220,004		-	(14,356)	-	(14,356)
L & J Carpet Project	2008	110,336		-	-	-	-
Courthouse Annex	2008	1,400,000		48,286	26,700	145,000	219,986
ITS - Courthouse - HVAC, Generators	2008	50,000		-	-	-	-
Projects	2008	234,883		-	-	-	-
Detention Center - Reserve	2008	1,502,048		-	-	-	-
subtotal CIP Current Year		\$ 9,228,271		\$ 96,572	\$ 104,324	\$ 435,000	\$ 635,896
CIP - Long Term				ESTIMATES ONLY			
Replacement Detention Center	2010	\$ 34,497,952		\$ 771,997	\$ 81,188	\$ 2,510,336	\$ 3,363,522
Mental Health	2009	1,000,000		-	-	145,000	145,000
City / County Court Building	2010	18,909,250		48,286	189,093	1,375,982	1,613,361
Road - Shop Expansions	2011	-		-	-	-	-
Law Enforcement Building	2012	17,523,800		48,286	175,238	1,275,166	1,498,690
Noxious Weed Shop Building	2015	750,000		-	31,500	108,750	140,250
Courthouse Annex (Remodel Phs II)	2016	-		-	-	-	-
subtotal CIP Long-Term		\$ 72,681,002		\$ 868,569	\$ 477,019	\$ 5,415,235	\$ 6,760,823
TOTAL CAPITAL PROJECTS		\$ 85,871,233		\$ 965,141	\$ 581,343	\$ 5,850,235	\$ 7,396,719

2008 CAPITAL BUDGET & CAPITAL MANAGEMENT PROCESS

CAPITAL OUTLAY / CAPITAL PROJECTS						
FY 2008 Capital Budget & Operating Budget Impacts Projects by Department/Project Name						
FY 2008 Capital Budget			Annual Operating Budget Impacts			
			Over FY 08 Budget			
Department/Project Title	Fiscal Year	Appropriation	Personal Services	Operating Costs	Debt Service Costs	Total
CAPITAL EQUIPMENT						
Airport						
Automated Weather Reporting & Resvs.	\$	27,323	-	-	-	-
Attorney						
Computer	\$	2,500	-	-	-	-
Victim Witness - Reserve		46,429	-	-	-	-
Auditor						
Computer/Printer Reserve	\$	1,000	-	-	-	-
Laptop		2,000	-	-	-	-
Computer (1/2) New Position		1,000	-	-	-	-
Bridge						
4wd 1/2 ton Pickup replacement	\$	12,500	-	-	-	-
Dump Truck Reserve		6,000	-	-	-	-
Guardrail Post Driver		28,000	-	-	-	-
GPS System		3,000	-	-	-	-
Shop Transfer		350,000	-	-	-	-
Clerk & Recorder						
Capital Reserves - Accounting	\$	3,500	-	-	-	-
Computer - 1/2 Accounting		1,000	-	-	-	-
Printer		3,000	-	-	-	-
M100 Precinct Counters		117,000	-	-	-	-
Polling Place Upgrades		60,506	-	-	-	-
Computer / Printer Reserv		25,000	-	-	-	-
Record Storage Facility		475,000	-	-	-	-
Computers (5)		12,500	-	-	-	-
HP Plotter		15,000	-	-	-	-
Document Recording System		250,000	-	-	-	-
Copier		10,000	-	-	-	-
Storage Study		35,000	-	-	-	-
File Cabinets		5,000	-	-	-	-
Printer		5,000	-	-	-	-
Clerk of District Court						
Microfilm Scanner	\$	7,430	-	-	-	-
Commission						
Computer Replacement	\$	2,000	-	-	-	-
Communications						
Telephone replacement	\$	85,000	-	-	-	-
HVAC at Data Sites		2,097	-	-	-	-

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CAPITAL OUTLAY / CAPITAL PROJECTS						
FY 2008 Capital Budget & Operating Budget Impacts Projects by Department/Project Name						
FY 2008 Capital Budget			Annual Operating Budget Impacts			
			Over FY 08 Budget			
Department/Project Title	Fiscal Year	Appropriation	Personal Services	Operating Costs	Debt Service Costs	Total
CAPITAL EQUIPMENT						
Copier Revolving						
Fair Copier Reserve	\$	3,500	-	-	-	-
Commission Copier Reserve		18,500	-	-	-	-
Clerk & Recorder Copier Reserve		1,267	-	-	-	-
Treasurer's Copier Reserve		-	-	-	-	-
HR Copier Reserve		2,507	-	-	-	-
Human Services Copier		15,200	-	-	-	-
Environmental Health		18,300	-	-	-	-
Fiscal Copier Reserve		9,722	-	-	-	-
Planning Copier Reserve		15,500	-	-	-	-
Coroner						
Vehicle Reserve	\$	2,000	-	-	-	-
Computer Replacement		2,000	-	-	-	-
Court Services						
Copier Replacement	\$	5,000	-	-	-	-
CTEP / TSEP / CDBG						
CTEP Projects	\$	184,891	-	-	-	-
Bridge Replacement - TSEP		33,128	-	-	-	-
CDBG - Economic Development		418,591	-	-	-	-
DES						
UPS	\$	1,000	-	-	-	-
Extension Agents						
Vehicle / Printer Reserve	\$	-	-	-	-	-
Color Printer		2,000	-	-	-	-
Facilities						
	\$	-	-	-	-	-
Fair						
Ag. Building - Reserve	\$	22,000	-	-	-	-
Finance						
Computer/Printer Reserve	\$	2,500	-	-	-	-
Computer Replacement		2,000	-	-	-	-
Fire						
Vehicle Reserve	\$	10,000	-	-	-	-
Fire Districts/Fire Service Areas		3,090,351	-	-	-	-
Forest Receipts (Title III)						
Reserve	\$	28,833	-	-	-	-

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CAPITAL OUTLAY / CAPITAL PROJECTS

FY 2008 Capital Budget & Operating Budget Impacts Projects by Department/Project Name						
FY 2008 Capital Budget			Annual Operating Budget Impacts Over FY 08 Budget			
Department/Project Title	Fiscal Year	Appropriation	Personal Services	Operating Costs	Debt Service Costs	Total
CAPITAL EQUIPMENT						
General Fund - Miscellaneous						
	\$	-	-	-	-	-
Geographic Information Systems GIS						
Computer Reserve	\$	8,115	-	-	-	-
Computer - Replacement		2,500	-	-	-	-
Grant and Project Administration						
Computer - Replacement	\$	2,000	-	-	-	-
Hazardous Materials						
Vehicle Reserve	\$	40,000	-	-	-	-
Health						
Reserve	\$	108,941	-	-	-	-
Computer Replacement		2,000	-	-	-	-
Reserve		48,452	-	-	-	-
Capital Reserves		125,027	-	-	-	-
Computers (3)		6,000	-	-	-	-
Reserve		9,500	-	-	-	-
Computers (3)		6,000	-	-	-	-
Capital Reserve		18,637	-	-	-	-
Capital Reserve		22,650	-	-	-	-
Computer Replacement		4,000	-	-	-	-
Reserve		3,522	-	-	-	-
Computer		2,000	-	-	-	-
Capital Reserve		13,122	-	-	-	-
Human Resources						
Computers (3)	\$	6,000	-	-	-	-
ITS						
Computer Replacement	\$	8,000	-	-	-	-
FY 07 Server, Switches, Routers		181,536	-	-	-	-
FY 08 Server, Switches, Routers		164,575	-	-	-	-
Joint Dispatch						
IMobile (two year commitment)	\$	5,500	-	-	-	-
Equipment - new center		322,000	-	-	-	-
State 911 - Equipment		222,640	-	-	-	-
Justice Court						
Scanner Reserve	\$	5,000	-	-	-	-
Copier Reserve		10,000	-	-	-	-
Computers (3)		6,000	-	-	-	-
Local Water Quality						
Capital Reserves	\$	56,000	-	-	-	-

2008 CAPITAL BUDGET & CAPITAL MANAGEMENT PROCESS

CAPITAL OUTLAY / CAPITAL PROJECTS						
FY 2008 Capital Budget & Operating Budget Impacts Projects by Department/Project Name						
FY 2008 Capital Budget			Annual Operating Budget Impacts			
			Over FY 08 Budget			
Department/Project Title	Fiscal Year	Appropriation	Personal Services	Operating Costs	Debt Service Costs	Total
CAPITAL EQUIPMENT						
Noxious Weed						
Reserves	\$	20,000	-	-	-	-
One Ton Spray Truck		20,000	-	-	-	-
Spray Unit - Grant \$		3,500	-	-	-	-
Educational Poster Board - Grant \$		-				
Open Land Board						
Capital Reserve	\$	-	-	-	-	-
Park						
Impr. To parks	\$	90,000	-	-	-	-
PILT - Commission						
Reserve - Copier & Reserve	\$	11,000	-	-	-	-
Reserve - Fax		2,200	-	-	-	-
Planning						
Computers (3)	\$	6,000	-	-	-	-
Rest Home						
Capital Reserve	\$	310,768	-	-	-	-
Computer software		30,000	-	-	-	-
Soffitt Repair, Paint, Window Upgrade		26,300	-	-	-	-
Replace Garage		50,000	-	-	-	-
Update Garage		20,000	-	-	-	-
Landscaping, Fire alarm upgrade		36,495	-	-	-	-
Driveway/Parking lot		10,000	-	-	-	-
ADA accible door to courtyard		5,000	-	-	-	-
Resident Family Seeting		10,000	-	-	-	-
Sidewalk, Fencing North End		20,000	-	-	-	-
Med Mizer Beds		9,350	-	-	-	-
Hi Lo Beds		15,000	-	-	-	-
Computer Reserve		20,000	-	-	-	-
Food Service Reserve		38,000	-	-	-	-
Convection Oven & Dishwasher		17,136	-	-	-	-
Entrance Improvements		50,000	-	-	-	-
RID Constructions						
Equipment Replacement		455,000	-	-	-	-

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CAPITAL EQUIPMENT						
Road						
Computer	\$	2,000	-	-	-	-
Furniture		15,000	-	-	-	-
Public Works Software		30,000	-	-	-	-
New Office/Shop Complex		330,000	-	-	-	-
Reserve		12,794				
Pettibone/Loader		35,000	-	-	-	-
Vehicle Reserve		6,500	-	-	-	-
Vehicle Replacment		18,000	-	-	-	-
Dozer		80,000	-	-	-	-
Crusher Jaws Reserve		70,000	-	-	-	-
Right of Way Acquisition		50,000	-	-	-	-
Shop		359,000	-	-	-	-
Asphalt Paver		57,000	-	-	-	-
Loader		64,500	-	-	-	-
Flat Bed Truck and Boom		7,500	-	-	-	-
Sheriff						
Vehicle	\$	22,926	-	-	-	-
Vehicles		49,300	-	-	-	-
Vehicle Reserve		24,000	-	-	-	-
Electric Cabling TV Enc.		5,600	-	-	-	-
Self Contained Breathing		3,758	-	-	-	-
Copy Machine Color		10,491	-	-	-	-
SCWP Storage Shed		1,355	-	-	-	-
Vehicle		19,000	-	-	-	-
Control Room Monitors reconfigure		4,000	-	-	-	-
Commissary Equipment Reserve		5,600	-	-	-	-
Commissary Equipment		4,868	-	-	-	-
Computers		10,500	-	-	-	-
HP Printer		1,500	-	-	-	-
Vehicles		200,000	-	-	-	-
Vehicle Packages		150,000	-	-	-	-
Reserve - Search & Rescue		17,500	-	-	-	-
Building/Landscaping - Search & Rescue		3,000	-	-	-	-
Underwater Camera - Search & Rescue		6,000	-	-	-	-
Dry Suits - Search & Rescue		1,750	-	-	-	-
Repeater - West Yellowstone - S & R		3,000	-	-	-	-
Solid Waste Districts						
Capital Equipment/Cell / Cap	\$	1,379,860	-	-	-	-
West Compost - Reserve		693,415	-	-	-	-

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Department/Project Title	Fiscal Year	Appropriation	Personal Services	Operating Costs	Debt Service Costs	Total
CAPITAL EQUIPMENT						
Special Districts						
Capital Equipment etc.	\$	3,013,573	-	-	-	-
Grant Capital Equipment		1,730,021	-	-	-	-
Supt. Of Schools						
Computer	\$	2,000	-	-	-	-
Vehicle		15,000	-	-	-	-
Treasurer						
Computers (3)	\$	6,000	-	-	-	-
Copier Reserve		1,500	-	-	-	-
Computer		2,000	-	-	-	-
Kiosk Reserve - Motor Vehicle		10,000	-	-	-	-
TOTAL CAPITAL EQUIPMENT	\$	16,623,185	\$ -	\$ -	\$ -	\$ -
Current Year Allocation		25,851,456				
TOTAL CAPITAL EQUIPMENT & PROJECTS	\$	89,304,187	\$ 868,569	\$ 477,019	\$ 5,415,235	\$ 6,760,823

2008 Capital Construction Projects

Open Space Acquisition:

Budget: \$3,602,735

Revenue:
 Bond Proceeds \$3,602,735

The voters approved two Open Space Bonds for the acquisition of Open Space in Gallatin County. The County has purchased, or acquired easement / development rights to 26,000 acres of land and purchased three county parks. The Cost to date has been approximately \$10,000,000. The county has a 20% leverage ratio at this time. The balance of the money and the \$7.2 million in additional bonds available will be used to further enhance and maintain the county's developable land in agriculture pursuits.

Dispatch Building and Equipment:

Budget:	\$3,000,000		
		Building	\$1,200,000
		Equipment	1,800,000
Square Feet:	4,500 maximum – still under review		
Revenue:			
	Loan	\$1,000,000	
	State 9-1-1	400,000 – two years	
	Mill levy	400,000 – two years	
	Capital Projects	1,200,000	

The project is to build a Dispatch Building at either the Rest Home or Davis Street Sites. The building will house the dispatch and administrative offices of the County Dispatch/Law Enforcement Records Department.

Courthouse - Roof/ HVAC:

Budget:	\$90,000
Revenue:	\$40,000 City/County Building Reserve
	50,000 Capital Projects

The projects involve the updating and repair of the roofing system over the west side storage at the Courthouse. The second part of the project is to update the Air Conditioning capability in the Router/Server area to maintain temperature and moisture within tolerance levels.

Road / Bridge Shop:

Budget: \$2,200,000

Square Feet:

Revenue:

Loan	\$1,000,000
State 9-1-1	400,000 – two years
Mill levy	400,000
Capital Projects	1,200,000

The project is proceeding with current engineering costs set at \$180,500 for development of bid documents through construction and final market up phase of the project. The Engineer is preparing cost estimates for ongoing operational expenses.

2008 CAPITAL BUDGET & CAPITAL MANAGEMENT PROCESS

Courthouse Annex:



Legend
 Human Health Services
 Environmental Health Services
 Common Area

GALLATIN COUNTY LOW-RISE ANNEX RENOVATION

Revised Concept Floor Plan
 Not To Scale
 06.14.07



Budget: \$1,400,000

Square Feet:

Revenue:

Loan

\$1,000,000

Capital Reserves

400,000

Capital Fund and Health Reserves

The Courthouse Annex was purchased in 2005 to meet expansion needs of county departments within the courthouse. The County currently leases the building to local businesses. The leases will expire, except for the north portion, on January 1, 2008. The building replaces existing leased space, lease set to expire on June 30, 2008, and allow the county to free up space within the Courthouse for much needed expansion of departments.

The capital project is the remodeling of the south portion of the facility and will involve the addition of ADA compliant bathrooms, clinic/lab areas for the Health office. The Departments moving into the facility include the Administrative, Environmental, and Human Services Departments and their grants. In a future phase, additional departments may be moved when space becomes available in 2010, 2013 or 2016.

Estimated increases in maintenance costs include:

• Personnel for Facilities (if needed)	\$48,286
No increase in Maintenance Personnel are anticipated until full occupancy of building	
• Janitorial services 1,500 new square feet at cost of \$3.50 per square foot =	5,250
• Utilities =	14,500
• Maintenance =	8,200
• Other =	1,750
• Debt Service	145,000